



Indiana Voluntary Remediation Tax Credit Guidelines

Introduction

Indiana taxpayers that perform the remediation of an Indiana brownfield site may apply for the Voluntary Remediation Tax Credit (VRTC), a financial brownfields redevelopment tool administered by the Indiana Brownfields Program (Program). The VRTC is available to any taxpayer that meets the statutory eligibility requirements and is subject to Indiana taxes. VRTC applications are accepted on a rolling basis, but the credits are awarded in chronological order starting in the tax year that the remediation is completed. VRTC applicants are strongly encouraged to discuss their prospective project with Program staff prior to applying.

The VRTC amount will be the lesser of \$200,000 or the sum of 100% of the first \$100,000 of qualified investment made plus 50% of the amount of qualified investment made that exceeds \$100,000. The costs identified during the final state certification of the project must be consistent with the remediation cost estimates that are submitted and approved in the application process.

Obtaining the VRTC

An applicant for the Indiana VRTC must complete the following general tasks in order to obtain the credit:

- Develop a remediation plan for its brownfield site;
- Complete a VRTC application (available at www.idfabrownfields.com);
- Receive certification, provided by the Program, that the remediation plan meets the criteria for a “qualified investment” (see the Additional Information section below for description of a qualified investment);
- Conduct the remediation;
- Receive final state certification of completed remedial work that takes the form of either the Program cost certification (for non-Voluntary Remediation Program (VRP) projects) OR the IDEM Certificate of Completion (for VRP projects);
- Submit required project documentation materials to the Program and the Indiana Department of Revenue (IDR); and
- Conform to other eligibility requirements.

VRTC Application Information

Pursuant to IC 6-3.1-23-5(a)(1)(B), in addition to other pertinent information as deemed necessary by the Program, the application for the VRTC will solicit the following general information:

- Contact and background information regarding the applicant;
- Information about the previous three (3) owners and occupants of the site, including type and nature of business activities performed on the site;
- Zoning information for the site;
- Redevelopment plans/proposal and timeline for the project;
- Sources and amounts of funding for the brownfield redevelopment project, including but not limited to acquisition, remediation, and redevelopment costs;
- Estimates of the number and type of jobs created or retained, and the wages of those jobs, as a result of the brownfield redevelopment project;
- Past site assessments and other pertinent environmental data, where applicable;
- Environmental remediation plan for the project with detailed cost estimates;
- Letter supporting the proposed project and redevelopment from the local legislative body (municipality or county);
- Acknowledgement that the taxpayer did not contribute to, and has never had an ownership interest in a party that contributed to, the contamination of the site; and
- Information that demonstrates a good faith effort to recover costs.

Additional Information

Pursuant to IC 6-3.1-23-3, a “qualified investment” for the purpose of the VRTC consists of remediation costs:

- Resulting from work performed in Indiana to conduct a voluntary remediation of a brownfield;
- Not recovered by a taxpayer from another person after the taxpayer has made a good faith effort to recover the costs;
- Not paid from state brownfields financial assistance;
- Resulting in taxable income to any other Indiana taxpayer; and
- Approved by the Program.

The qualified investment certification by the Program must be made prior to the start of remediation activities. Any costs incurred before the qualified investment certification will not be eligible for the credit.

Contact Information

We welcome comments on the VRTC at any time. Questions regarding these guidelines or the VRTC may be directed to Sara Westrick Corbin by email at swestrick@ifa.in.gov or by phone at (317) 234.1688. These guidelines may be modified at any time by the Indiana Finance Authority Board to address demand and other issues to promote the effective and efficient administration of the Indiana Brownfields Program.

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